

REGISTERED COMPANY NUMBER: 04779177 (England and Wales)
REGISTERED CHARITY NUMBER: 1110104

**BRITISH MUSLIM HERITAGE CENTRE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

Riley Moss Audit LLP (Statutory Auditor)
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BRITISH MUSLIM HERITAGE CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Mr N Mahmood OBE Dr H A Almajed Dr M Sarumi Mr M S Al-Astewani Dr G M O Al Kuwari (resigned 9.3.20) Mrs S Alvi Mr S Thameembasha Dr H M Algammas Dr M Abdelrahman Mr N U Hassan (resigned 8.5.20) Dr A M Almajid Mr F Zaheer Dr A Al Matouq Mr A A O Kawooya Mr A A R Saif Dr A Al Dubayan Mr E M Chohan
Company secretary	Mr F Zaheer
Registered office	British Muslim Heritage Centre College Road Whalley Range Manchester M16 8BP
Registered company number	04779177 (England and Wales)
Registered charity number	1110104
Auditors	Riley Moss Audit LLP (Statutory Auditor) Riley House 183-185 North Road Preston Lancashire PR1 1YQ
Patrons	Lord Kamlesh Kumar Patel, Baron Patel of Bradford, OBE Lord Mohamed Itaf Sheikh, Baron Sheikh Lord-Lieutenant of Greater Manchester Sir Warren J. Smith Mohammed Afzal Khan MP
Bankers	The Royal Bank of Scotland 467 Wilmslow Road Withington Manchester M20 9AP

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Our objectives

The BMHC has developed aims and objectives that are set out below and reflect the ethos of the Centre. In terms of setting, reviewing and planning the BMHC's future activities, the Trustees have also considered the Charity Commission's general guidance on Public Benefit. Since its inception, BMHC has striven to live up to the values by being a place for all communities, providing a welcoming environment and working in partnership for the common good.

The vision of the British Muslim Heritage Centre is one of a trusting relationship between Muslims and the rest of society based on shared understanding and shared values.

Our mission is to achieve this through the development of collaborative and pioneering initiatives that promote and celebrates Muslim heritage and culture and making it accessible to all.

- The BMHC is a centre for all communities - Muslim and non-Muslim
- We strive to provide a welcoming environment for all and work in partnership for the common good.
- In focusing on Muslim heritage, we mean Muslim history, people and contribution to human civilization.

Strategic report

Achievement and performance

Supporting Activities

Supporting charitable organisations with similar aims and values provides better coordination of work. This ultimately is an effective way of supporting each other and the most vulnerable on a one-to-one basis and at an organisational level. We were pleased to respond to a number of charities who requested the British Muslim Heritage Centre to bring organisations together. The main reason for this was to ensure mutual support, share the learning, and to further enhance our services to Greater Manchester's vulnerable communities.

Tackling health inequalities has been one of our major programmes this year due to Covid-19, and before Covid-19, this was one of the significant areas of work identified by the Muslim community. Dr Tariq Chauhan chairs the British Muslim Heritage Centre tackling Health Inequalities programmes. The pandemic highlighted the inequalities faced by the Muslim and other minority groups, and it became more evident that urgent work was required. To tackle this, we continued to progress on the programme from 2019 to date. We are pleased to report that we have extended the programme in several strands: diabetes, stroke, mental health and inequalities due to Covid-19; this also includes the Impact of Racism on Health and Wellbeing.

Diabetes Engagement Project and Muslim Community Diabetes Project:

During this year we started these two major projects to support the community during this testing time. We had been helping the community throughout this period via Webinar and Zoom meetings.

The Tameside tackling health inequalities pilot project is another partnership project with Tameside CCG and Haughton Thornley Medical Centres, Thornley.

Leadership Programmes Aspiring and future leaders this year we continued this programme via Zoom meetings and webinars. This programme is for young participants aged between 14 to 18.

Supporting the Greater Manchester Interfaith Group - We helped the recruitment of two locality engagement leads for the support of greater Manchester Health and social Care.

The **National Muslim Service of Commemoration 2020**. It was a pleasure for the British Muslim Heritage Centre to be invited to speak on such a special occasion and be part of the National Muslim Service of Commemoration, which took place on Wednesday 4th November 2020. Sadly, this year, we were unable to deliver a physical event due to the pandemic. However, we will be able to deliver a safe virtual event via a Zoom Webinar.

Islam Awareness November 2020 - We were pleased to take part in the Islam awareness month. This was an opportunity to promote a better understanding of issues affecting the Muslim community regionally, nationally and worldwide. We were able to work with our Patron and member of Parliament Afzal Khan and the Greater Manchester Muslim Jewish Forum.

Heritage Media - This year we have set up Heritage TV which is fully functional now on U-tube. We have started to upload podcasts and videos which are accessible for all communities.

Renovation - The Renovation of the building is completed by the grace of God during this year and we were able to accommodate homeless during this period of pandemic when government asked to provide the shelter to homeless. We started this good cause in collaboration with the Manchester City Council initially. After July 2020, another charity has taken over this project of housing of homeless.

British Muslim Heritage Centre has played its role as a community organisation during these testing times.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Strategic report

Financial review

Financial Position

Full details of income and expenditure for the year are set out in the Statement of Financial Activities on page 11.

Donations remain the main source of funds while some revenue has been generated from letting parts of the building. The total unrestricted donations received for this financial year £278,833 (2019 £294,159). The organisation continues to improve income generation to support its increasing activities.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and confirm that they have established systems to mitigate the significant risks.

Investment power

The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of the Charity. However, no such investments are presently held.

Reserves policy

The financial position is regularly reviewed by the trustees to ensure effective financial governance. This includes monitoring of the cash and bank balances by the trustees. BMHC has continued to invest significant sums into refurbishment and rebuilding its grade II* listed building. The building is central to the fulfilment of our vision. The refurbishment and rebuilding process has been a priority investment focus.

Given the scale of the rebuilding and refurbishment project and its continuous demand on funds, it is not possible to maintain reserves. Despite that, the trustees remain confident that given the strength of BMHC's balance sheet, with a combined value of £ 10,406,956 of net assets, a dependable network of donors sympathetic to BMHC's vision, and the introduction of new revenue streams, there is no need to build up a reserve. The trustees are confident the organisation will continue to be able to meet with its obligations as they fall due.

Future plans

We aim to build on the success of our various programmes and ventures introduced recently. The following are the highlights of our future plans:

- Programmes to benefit wider community. New programmes will be introduced for those wishing to gain an understanding of Islam. Short courses will be introduced for people wishing to enhance their knowledge about Islam and Muslim culture in general.
- The marquee continues to be a useful revenue stream to help the organisation to carry out its charitable activities and after the completion of refurbished area we are now able to generate some funds through providing housing facility for homeless people through a charity. These funds will be used for the community welfare projects and running expenses of the charity.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Structure, governance and management

British Muslim Heritage Centre (BMHC, thereafter) was incorporated as a Limited company, company number 4779177, on 28 May 2003 as Manchester Muslim Heritage Centre. It was granted charitable status under Charities Act on 20 June 2005, (registration number 1110104). The charity's name was changed to British Muslim Heritage Centre on 31 August 2005.

BMHC is governed by a Memorandum and Articles of Association (amended by special resolutions). There are no specific restrictions imposed on how the Charity should operate to achieve its objective. However, the income and assets of the Charity must be applied solely for the purpose of achieving its objectives.

The Board of Trustees comprises members from diverse backgrounds. Trustees are selected on the basis of their skills, experience and networks, and the needs of the company. All members of the Board of Trustees work on voluntary basis only and dedicate a considerable amount of time to the Charity's activities.

The power of appointing new Trustees is vested in the Trustees and there are informal procedures in place for the induction and training of new Trustees. Trustees are also encouraged to attend relevant briefings and courses.

The Board of Trustees deals with matters pertaining corporate strategy, key strategic objectives and targets. The Board also deals with major decision making including for the use of financial and other resources and the agreement of budgets for projects and operations. Furthermore, dealing with issues concerning staff appointments and ensuring ongoing viability of the Charity is also undertaken by the Board. The Board has established working groups, which generally comprises between one to two Trustees, advisors, Trust staff and, where appropriate, consultants for each project. Additionally, Trustees are identified as mentors for different aspects of the Trust's activities.

The Chief Executive Officer (CEO), working in conjunction with Trustees, delegates much of the day-to-day running of the organisation to managers, who are the principle advisers to the Board. The managers take part in select Board meetings and, subject to the Board's approval, represent the Trust in meetings conducted outside the Centre. The staff has the authority to implement corporate strategy, make decisions, respond to consultations, allocate resources and commit expenditure in accordance with the strategic, budgetary and policy framework set by the Board. Furthermore, the contribution by a number of volunteers with variety of skills has continued to enhance the image of the organisation. Trustees' expenses during this year totalled £535 (2019 £504). The expenses relate to the travelling and accommodation of the Trustees to promote the BMHC's objectives. The Trustees received no remuneration in respect to their services to the Trust.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Trustees' responsibility statement

The trustees (who are also the directors of British Muslim Heritage Centre for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees' responsibility statement - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Riley Moss Audit LLP (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 September 2021 and signed on the board's behalf by:

Mr N Mahmood - Trustee

Opinion

We have audited the financial statements of British Muslim Heritage Centre (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRITISH MUSLIM HERITAGE CENTRE

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel FCA (Senior Statutory Auditor)
for and on behalf of Riley Moss Audit LLP (Statutory Auditor)
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

16 September 2021

BRITISH MUSLIM HERITAGE CENTRE
**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
	Notes				
Income and endowments from					
Donations and legacies	2	278,833	29,999	308,832	2,322,073
Charitable activities	4				
Charitable activity		673,049	-	673,049	204,587
Other trading activities	3	368	-	368	3,204
Total		952,250	29,999	982,249	2,529,864
Expenditure on					
Raising funds	5	330,736	-	330,736	29,985
Charitable activities	6				
Charitable activity		644,595	12,916	657,511	699,550
Other		1,593	-	1,593	8,858
Total		976,924	12,916	989,840	738,393
NET INCOME/(EXPENDITURE)		(24,674)	17,083	(7,591)	1,791,471
Reconciliation of funds					
Total funds brought forward		10,263,428	151,119	10,414,547	8,623,076
Total funds carried forward		10,238,754	168,202	10,406,956	10,414,547

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BRITISH MUSLIM HERITAGE CENTRE

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Fixed assets					
Tangible assets	12	11,352,515	64,302	11,416,817	11,001,337
Current assets					
Debtors	13	44,776	-	44,776	261,908
Cash at bank and in hand		25,751	103,901	129,652	155,755
		<u>70,527</u>	<u>103,901</u>	<u>174,428</u>	<u>417,663</u>
Creditors					
Amounts falling due within one year	14	(1,184,288)	(1)	(1,184,289)	(1,004,453)
Net current assets		<u>(1,113,761)</u>	<u>103,900</u>	<u>(1,009,861)</u>	<u>(586,790)</u>
Total assets less current liabilities		<u>10,238,754</u>	<u>168,202</u>	<u>10,406,956</u>	<u>10,414,547</u>
NET ASSETS		<u>10,238,754</u>	<u>168,202</u>	<u>10,406,956</u>	<u>10,414,547</u>
Funds	16				
Unrestricted funds				10,238,754	10,263,428
Restricted funds				168,202	151,119
Total funds				<u>10,406,956</u>	<u>10,414,547</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 September 2021 and were signed on its behalf by:

Mr N Mahmood - Trustee

Mr F Zaheer - Trustee

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	277,697	1,253,745
Net cash provided by operating activities		277,697	1,253,745
Cash flows from investing activities			
Purchase of tangible fixed assets		(485,300)	(1,995,251)
Net cash used in investing activities		(485,300)	(1,995,251)
Cash flows from financing activities			
New loans in year		181,500	19,000
Net cash provided by financing activities		181,500	19,000
Change in cash and cash equivalents in the reporting period		(26,103)	(722,506)
Cash and cash equivalents at the beginning of the reporting period		155,755	878,261
Cash and cash equivalents at the end of the reporting period		129,652	155,755

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020	2019
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(7,591)	1,791,471
Adjustments for:		
Depreciation charges	69,820	85,548
Decrease/(increase) in debtors	217,132	(7,657)
Decrease in creditors	(1,664)	(615,617)
Net cash provided by operations	<u>277,697</u>	<u>1,253,745</u>

2. Analysis of changes in net debt

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank and in hand	155,755	(26,103)	129,652
	<u>155,755</u>	<u>(26,103)</u>	<u>129,652</u>
Debt			
Debts falling due within 1 year	(243,236)	(181,500)	(424,736)
	<u>(243,236)</u>	<u>(181,500)</u>	<u>(424,736)</u>
Total	<u>(87,481)</u>	<u>(207,603)</u>	<u>(295,084)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income.

Income from the restricted grant is recognised when charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included. Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Support costs include governance costs. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to the strategic management of the charity.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020
1. Accounting policies - continued
Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land and building	- 2% straight line on buildings only
Renovations in progress	- No depreciation is charged
Furniture and equipments	- 33% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors £174,428 (2019: £417,663). Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £1,180,169 (2019: £1,004,212).

2. Donations and legacies

	2020	2019
	£	£
Donations	179,697	294,160
Grants	118,702	1,977,684
Other Income	10,433	50,229
	<u>308,832</u>	<u>2,322,073</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Grant	<u>118,702</u>	<u>1,977,684</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Other trading activities

	2020	2019
	£	£
Shop income	368	3,204
	<u> </u>	<u> </u>

4. Income from charitable activities

	2020	2019
Activity	£	£
Income from hire of facilities	665,978	182,955
Income from admission charges and programmes	7,071	21,632
	<u>673,049</u>	<u>204,587</u>

5. Raising funds**Raising donations and legacies**

	2020	2019
	£	£
Staff costs	8,567	4,950
Rates and water	-	2,941
Light and heat	-	7,910
Telephone and computer	-	2,281
Bank charges	-	627
Advertising, printing and postage	850	2,996
Travelling costs	-	536
Legal and professional fees	-	7,744
	<u>9,417</u>	<u>29,985</u>

Other trading activities

	2020	2019
	£	£
Bad debts	94,139	-
Loan Write Off	227,180	-
	<u>321,319</u>	<u>-</u>
Aggregate amounts	<u>330,736</u>	<u>29,985</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Charitable activities costs

	Direct Costs (see note 7) £
Charitable activity	657,511

7. Direct costs of charitable activities

	2020 £	2019 £
Staff costs	302,919	294,267
Rates and water	28,625	11,766
Insurance	33,799	29,462
Light and heat	52,456	31,642
Telephone and computer costs	14,305	9,123
Postage and stationery	2,703	4,698
Sundries	8,327	1,610
Faith and worship	13,331	41,479
Events, exhibitions and festivals	55,385	129,117
Repairs and maintenance	32,168	31,362
Security costs	8,735	10,184
Travelling costs	3,693	3,035
Accountancy charges	1,112	1,045
Auditors' remuneration	5,460	5,460
Legal and professional fees	21,317	6,200
Bank charges	3,356	3,552
Depreciation	69,820	85,548
	<u>657,511</u>	<u>699,550</u>

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	69,820	85,548
Auditors' remuneration	<u>5,460</u>	<u>5,460</u>

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Trustees' remuneration and benefits - continued**Trustees' expenses**

The charity reimbursed travelling and connected expenses amounting to £535 (2019: £504).

10. Staff costs

	2020	2019
	£	£
Wages and salaries	295,793	243,873
Social security costs	12,550	47,990
Other pension costs	3,143	7,354
	<u>311,486</u>	<u>299,217</u>

The average monthly number of employees during the year was as follows:

	2020	2019
	13	11
Administration and support	<u>13</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

11. Company limited by guarantee

British Muslim Heritage Centre is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

12. Tangible fixed assets

	Freehold land and building £	Renovations in progress £	Furniture and equipments £	Fixtures and fittings £	Totals £
Cost					
At 1 January 2020	4,305,958	6,692,751	223,545	390,079	11,612,333
Additions	-	435,197	2,700	47,403	485,300
	<u>4,305,958</u>	<u>7,127,948</u>	<u>226,245</u>	<u>437,482</u>	<u>12,097,633</u>
At 31 December 2020	4,305,958	7,127,948	226,245	437,482	12,097,633
Depreciation					
At 1 January 2020	166,617	-	195,289	249,090	610,996
Charge for year	11,119	-	12,174	46,527	69,820
	<u>177,736</u>	<u>-</u>	<u>207,463</u>	<u>295,617</u>	<u>680,816</u>
At 31 December 2020	177,736	-	207,463	295,617	680,816
Net book value					
At 31 December 2020	<u>4,128,222</u>	<u>7,127,948</u>	<u>18,782</u>	<u>141,865</u>	<u>11,416,817</u>
At 31 December 2019	<u>4,139,341</u>	<u>6,692,751</u>	<u>28,256</u>	<u>140,989</u>	<u>11,001,337</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020
12. Tangible fixed assets - continued

The charity owns the property at College road, Whalley Range, Manchester. In the opinion of the trustees, the cost of professionally valuing the property to include a value in the accounts outweighs the benefits to the users of the accounts. The property is insured for £21 million which is an estimate of their replacement cost. The renovation in progress related to the costs incurred in respect of the renovation of the property.

13. Debtors: amounts falling due within one year

	2020	2019
	£	£
Trade debtors	29,067	29,527
Other debtors	15,709	5,431
Amounts due from connected undertakings	-	226,950
	<u>44,776</u>	<u>261,908</u>

14. Creditors: amounts falling due within one year

	2020	2019
	£	£
Other loans (see note 15)	424,736	243,236
Trade creditors	87,464	89,007
Social security and other taxes	4,120	4,241
Other creditors	662,509	662,509
Accrued expenses	5,460	5,460
	<u>1,184,289</u>	<u>1,004,453</u>

The following trustees gave personal guarantee for the money borrowed by the trust from Northwold Investments (included in other loans):

1. Naeem Ul Hassan
2. Abdul Kadir
3. Salim Estwani
4. Nasar Mahmood

15. Loans

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>424,736</u>	<u>243,236</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted donations	10,263,428	(24,674)	10,238,754
Restricted funds			
Restricted donations	151,119	17,083	168,202
TOTAL FUNDS	<u>10,414,547</u>	<u>(7,591)</u>	<u>10,406,956</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	952,250	(976,924)	(24,674)
Restricted funds			
Restricted donations	29,999	(12,916)	17,083
TOTAL FUNDS	<u>982,249</u>	<u>(989,840)</u>	<u>(7,591)</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
Unrestricted funds				
Unrestricted donations	8,623,076	(186,213)	1,826,565	10,263,428
Restricted funds				
Restricted donations	-	1,977,684	(1,826,565)	151,119
TOTAL FUNDS	<u>8,623,076</u>	<u>1,791,471</u>	<u>-</u>	<u>10,414,547</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020
16. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	552,180	(738,393)	(186,213)
Restricted funds			
Restricted donations	1,977,684	-	1,977,684
TOTAL FUNDS	<u>2,529,864</u>	<u>(738,393)</u>	<u>1,791,471</u>

Purposes of Unrestricted Funds:

The trustees are free to use unrestricted funds in accordance with charitable objectives.

Purposes of Restricted Funds:

Restricted fund balance brought forward from the last year represents money received for the renovation of building at College Road, Whalley Range, Manchester.

Further, the charity received £20,000 from Heath Innovation Manchester for Diabetes programme and £10,000 from Greater Manchester and Eastern Cheshire Strategic Clinical Network for preventing the spread of type 2 diabetes. The charity spent almost £13,000 from restricted funds.

17. Pension commitments

The amount recognised in income or expenditure as an expense in relation to defined contribution plan was £3,143 (2019: £7,354).

18. Related party disclosures

As at 31 December 2020, the charity owed £145,170 (2019: £168,170) to trustees and entities connected to the trustees. The loans are interest free, unsecured and payable on demand.

Mr Nasar Mahmood, Mr Farroukh Zaheer and Mrs Saima Alvi, trustees of British Muslim Heritage Centre are directors of BMHC Services Ltd, a company limited by guarantee, incorporated in England and Wales. British Muslim Heritage Centre is the member of BMHC Services Ltd. BMHC Services Ltd operates from the premises owned by British Muslim Heritage Centre and no rent (2019: £nil) was paid during the period. BMHC Services Ltd was set up for furthering the fundraising activities of British Muslim Heritage Centre with all future profits to be donated back to British Muslim Heritage Centre and during the year no donations (2019: £nil) was receivable from BMHC Services Ltd. During the year British Muslim Heritage Centre advanced sum of £nil in aggregate to BMHC services Ltd and at the balance sheet date the amount owed by BMHC Services Ltd to British Muslim Heritage Centre was £nil (2019: £226,950). This balance is interest free and repayable on demand.

19. Post balance sheet events

Since the year end, the Covid-19 pandemic has caused considerable disruption to the global economy. Notwithstanding that, Covid 19 is deemed to be a non-adjusting post balance sheet event. Having considered the impact of Covid 19 on the Charity, the trustees consider that there are no non-adjusting post balance events that require disclosure in these financial statements as a result of Covid -19.

BRITISH MUSLIM HERITAGE CENTRE
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Donations	179,697	294,160
Grants	118,702	1,977,684
Other Income	10,433	50,229
	<hr/> 308,832	<hr/> 2,322,073
Other trading activities		
Shop income	368	3,204
Charitable activities		
Income from hire of facilities	665,978	182,955
Income from admission charges and programmes	7,071	21,632
	<hr/> 673,049	<hr/> 204,587
Total incoming resources	982,249	2,529,864
Expenditure		
Raising donations and legacies		
Wages	8,567	4,950
Rates and water	-	2,941
Light and heat	-	7,910
Telephone and computer	-	2,281
Bank charges	-	627
Advertising, printing and postage	850	2,996
Travelling costs	-	536
Legal and professional fees	-	7,744
	<hr/> 9,417	<hr/> 29,985
Other trading activities		
Bad debts	94,139	-
Loan Write Off	227,180	-
	<hr/> 321,319	<hr/> -
Charitable activities		
Wages	287,226	238,923
Social security	12,550	47,990
Pensions	3,143	7,354
Rates and water	28,625	11,766
Insurance	33,799	29,462
Light and heat	52,456	31,642
Carried forward	417,799	367,137

This page does not form part of the statutory financial statements

BRITISH MUSLIM HERITAGE CENTRE

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Charitable activities		
Brought forward	417,799	367,137
Telephone and computer costs	14,305	9,123
Postage and stationery	2,703	4,698
Sundries	8,327	1,610
Faith and worship	13,331	41,479
Events, exhibitions and festivals	55,385	129,117
Repairs and maintenance	32,168	31,362
Security costs	8,735	10,184
Travelling costs	3,693	3,035
Accountancy charges	1,112	1,045
Auditors' remuneration	5,460	5,460
Legal and professional fees	21,317	6,200
Bank charges	3,356	3,552
Freehold property	11,119	11,119
Depn of furniture & equipments	12,174	4,986
Fixtures and fittings	46,527	69,443
	<u>657,511</u>	<u>699,550</u>
Other		
Shop costs	1,593	8,858
	<u>989,840</u>	<u>738,393</u>
Net (expenditure)/income	<u>(7,591)</u>	<u>1,791,471</u>

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